

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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SECURITY INFORMATION

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COUNTRY	Romania	REPORT	
SUBJECT	Oil Production and Exports to the Eastern Bloc in 1952	DATE DISTR.	21 May 1953
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THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
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1. Rumania's crude oil production was down to about 6,750,000 tons in 1952, following an annual postwar peak of roughly 8,500,000 tons two years ago.
2. This sharp decline has been brought about by the following causes:
 - a. Constant overstraining of equipment and machinery while attempting to maintain continuous high-pressure production.
 - b. Makeshift repairs, owing to lack of spare parts and other materials necessary for satisfactory repairs.
 - c. Improper replacements, which are made only after equipment or machinery proves to be beyond repair. This entails loss of valuable time because deliveries of industrial equipment and machinery are very slow in the Satellite countries, especially when orders are placed in the USSR.
 - d. Faulty machinery and equipment. New machines are of Russian make and are often of poor quality. Many of them do not conform to modern standards and requirements.
 - e. Exploitation of manpower. Workers are made to engage in permanent overtime work while wages are kept on a bare subsistence minimum.
 - f. Labor trouble, which slows down production considerably. "Go-slow" tactics and other forms of passive resistance, absenteeism and cases of genuine and feigned illness are frequent. Even strikes occur: on one occasion in 1952, work was stopped for a full ten days in the Ploesti region in spite of wholesale arrests and deportation of workers. The militia and factory police were unable to enforce a resumption of work and the management had finally to concede a small increase in wages for overtime work.

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- g. There are also many acts of sabotage, some of a serious nature involving casualties among the factory police, the management, and even the Russian control officers. The latter are nominally "specialists" and "technical advisers", but their real nature is, of course, well-known to the workers and sabotage is not only an outcome of exploitation but even more of the bitter resentment of the workers against the fact that most of the fruit of their labor goes to Russia. Sabotage continues in spite of many death sentences and the arrest and condemnation of many innocent men to long-term slave labor service. Machinery newly arrived from Russia is frequently sabotaged, the workers alleging that the machine was faulty, and that they could not therefore be held responsible.
- h. Frequent reorganizations of departments and personnel for political reasons are ordered and carried out by outsiders not acquainted with the technical setup and production requirements. This often throws production completely out of gear.

3. The following are the 1952 production figures for refined products:

Ordinary and special motor spirits (sic)	2,000,000 tons
Kerosene	2,500,000 tons
Heavy Oils	1,750,000 tons
Lubricating Oils	100,000 tons

and an unknown quantity of miscellaneous by-products.

4. Special efforts are made to keep kerosene production high. Production of heavy oils has suffered most in the recent overall decline.
5. A special scientific research institute has been set up to inquire into the production of different chemical compounds of carbon and hydrogen as derived from distilling petroleum. This institute is also engaged in research work regarding the production of products of the $C_nH_n + 2$ group of oils. Its findings and suggestions are top secret.
6. The production of jet engine fuel and its export is also a top secret, but it is known that the greater part of it is shipped to North Korea via China.
7. Roughly 5,500,000 tons of petroleum products were exported to Russia and the Satellites in 1952.
8. Since the refinery workers, together with the majority of Rumanian citizens, are becoming more and more irritated by the knowledge that most of Rumania's oil products are going to Russia and other Satellites without even a fair compensation, exports are no longer marked "Russia" but "Mutual Economic Aid Organization", the clearing house for the exchange of goods within the Eastern Bloc. At the same time, elaborate propaganda tries to demonstrate to the Rumanian people how much they receive from this organization. This has been carried to the extreme length of labeling certain products of the Rumanian food processing industry sold to the Rumanians with the stamp and trade-mark of the "Mutual Economic Aid Organization".
9. Following a recent purge in the management of the oil refining industry (especially in the Ploesti region) attempts are now being made to step up production by a wholesale renewal of equipment and machinery. This will however take time and will divert efforts from the newly discovered oil fields, as new equipment and machinery on order for these regions will in part be used to replace outmoded material at Ploesti. More tolerant conditions are also foreseen for workers.

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